

1 **ARIZONA DEPARTMENT OF FINANCIAL INSTITUTIONS**

2 In the Matter of the Mortgage Broker License of:

No. 10F-BD156-SBD

3 **HORGA INC. DBA IB MORTGAGE**
4 **SERVICES and GHEORGHE HORGA,**
5 **PRESIDENT**
17811 NE Glisan Street
Portland, OR 97230

**ORDER OF SUMMARY SUSPENSION
AND NOTICE OF OPPORTUNITY FOR
HEARING**

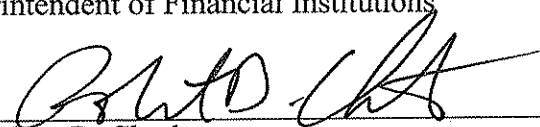
6 Respondents.

7 The Arizona Department of Financial Institutions (the "Department") hereby finds that
8 Horga Inc. DBA IB Mortgage Services and Gheorghe Horga, President, ("Respondents") have
9 violated the provisions of the Arizona Revised Statutes ("A.R.S."), Title 6 as set forth below and
10 finds that the public health, safety and welfare require emergency action pursuant to A.R.S. §§ 6-905
11 and 41-1092.11(B).

12 **THEREFORE, IT IS ORDERED** to summarily suspend the Arizona mortgage broker
13 license held by Respondents. **This suspension is effective immediately.**

14 EFFECTIVE this 12th day of May, 2010.

15 Lauren W. Kingry
16 Superintendent of Financial Institutions

17 By 
18 Robert D. Charlton
19 Assistant Superintendent of Financial Institutions

20 PLEASE TAKE NOTICE that, pursuant to Titles 6 and 41 of the Arizona Revised Statutes
21 and Title 20, Chapter 4 of the Arizona Administrative Code ("A.A.C."), Respondents are hereby
22 notified that they are entitled to a hearing to contest the allegations set forth in this Order. The
23 Request for Hearing shall be filed with the Arizona Department of Financial Institutions (the
24 "Department") pursuant to A.R.S. § 6-137(D) within **thirty (30) days** of service of this Order and
25 shall identify with specificity the action or order for which review is sought in accordance with
26 A.R.S. § 41-1092.03(B).

1 Pursuant to A.R.S. §§ 41-1092.01(D) and 41-1092.03(B), any person may appear on his or
2 her own behalf or by counsel. If Respondents is represented by counsel, the information required by
3 A.R.S. § 41-1092.03(B) shall be included in the Request for Hearing. Upon the filing of a Request
4 for Hearing, the Department shall issue a Notice of Hearing scheduling the matter for hearing in
5 accordance with A.R.S. § 41-1092.05. **Persons with disabilities may request reasonable**
6 **accommodations such as interpreters, alternative formats, or assistance with physical**
7 **accessibility.** Requests for special accommodations must be made as early as possible to allow time
8 to arrange the accommodations. If accommodations are required, call the Office of Administrative
9 Hearings at (602) 542-9826.

10 Respondents have the right to request an Informal Settlement Conference, pursuant to A.R.S.
11 § 41-1092.06, by filing a written request no later than **twenty (20) days** before the scheduled
12 hearing. The conference will be held within **fifteen (15) days** after receipt of your request. If an
13 Informal Settlement Conference is requested, a person with the authority to act on behalf of the
14 Department will be present (the "Department Representative"). Please note that in requesting an
15 Informal Settlement Conference, Respondents waive any right to object to the participation of the
16 Department Representative in the final administrative decision of this matter, if it is not settled. In
17 addition, any written or oral statement made by Respondents at such informal settlement conference,
18 including written documentation created or expressed solely for purposes of settlement negotiations,
19 are inadmissible in any subsequent administrative hearing. (See A.R.S. § 41-1092.06 for rules
20 regarding informal settlement conferences.) Conversely, any written or oral statement made by
21 Respondents outside an Informal Settlement Conference is not barred from being admitted by the
22 Department in any subsequent hearing.

23 If Respondents do not request a hearing, this Order shall become final. If Respondents
24 request a hearing, the purpose of the hearing shall be to determine if grounds exist for: (1) the
25 issuance of an order pursuant to A.R.S. § 6-137 directing Respondents to cease and desist from the
26 violative conduct and to take the appropriate affirmative actions, within a reasonable period of time

1 prescribed by the Superintendent, to correct the conditions resulting from the unlawful acts,
2 practices, and transactions; (2) the imposition of a civil monetary penalty pursuant to A.R.S. § 6-
3 132; (3) the suspension or revocation of Respondent's license pursuant to A.R.S. § 6-905; (4) an
4 order to pay restitution of any fees earned on loans made in violation of A.R.S. §§ 6-901, *et seq.*,
5 pursuant to A.R.S. §§ 6-131(A)(3) and 6-137; and (5) an order or any other remedy necessary or
6 proper for the enforcement of statutes and rules regulating mortgage brokers pursuant to A.R.S. §§
7 6-123 and 6-131.

8 FINDINGS

9 1. Respondent Horga Inc. DBA IB Mortgage Services is an Oregon Corporation
10 authorized to transact business in Arizona as a mortgage broker, license number MB 0907176,
11 within the meaning of A.R.S. §§ 6-901, *et seq.* The nature of Horga Inc. DBA IB Mortgage
12 Services' business is that of making, negotiating, or offering to make or negotiate loans secured by
13 Arizona real property, within the meaning of A.R.S. § 6-901(11).

14 2. Pursuant to A.R.S. § 6-903(J), Respondents are required to have a surety bond in the
15 amount set forth in A.R.S. § 6-903(K), or an alternative as set forth in A.R.S. § 6-903(M).

16 3. On March 26, 2010, the Department received notification from CNA Surety stating
17 that Horga Inc. DBA IB Mortgage Services' surety bond, number 69859612 in the amount of
18 \$15,000.00, was to be cancelled effective May 4, 2010.

19 4. On April 2, 2010, the Department sent an email to Respondents, to the email address
20 on record with the Department, informing them of the bond cancellation. The Department also sent
21 notification regarding the bond cancellation to Horga Inc. DBA IB Mortgage Services via the
22 Nationwide Mortgage License System.

23 5. Respondents failed to provide documentation regarding the reinstatement of their
24 bond or documentation of a new surety bond.

25 6. Respondents do not have the required surety bond in order to conduct business as a
26 mortgage broker.

7. The conduct described above constitutes an immediate threat to the public health, safety, and welfare warranting immediate suspension of Respondent's mortgage broker license.

8. The conduct described above constitutes grounds for the suspension of Respondent's mortgage broker license.

LAW

1. Pursuant to A.R.S. Title 6, Chapter 9, the Superintendent has the authority and duty to regulate all persons engaged in the mortgage broker business and with the enforcement of statutes, rules, and regulations relating to mortgage brokers.

2. By the conduct set forth in the Findings, Respondents have failed to maintain the surety bond required by A.R.S § 6-903(J).

3. Pursuant to A.R.S. §§ 6-905 and 41-1092.11(B), the conduct described above constitutes an immediate threat to the public health, safety and welfare warranting immediate suspension of Respondent's mortgage broker license.

4. Respondents have not conducted business in accordance with the law and have violated Title 6, Chapter 9, which constitutes grounds for the suspension or revocation of Respondent's license pursuant to A.R.S. § 6-905(A)(3).


5. The violations, set forth above, constitute grounds for the pursuit of any other remedy necessary or proper for the enforcement of statutes and rules regulating mortgage brokers in Arizona pursuant to A.R.S. §§ 6-123 and 6-131.

6. Pursuant to A.R.S. § 6-132, Respondent's violations of the aforementioned statutes are grounds for a civil penalty of not more than five thousand dollars (\$5,000.00) for each violation for each day.

WHEREFORE, if Respondents do not request a hearing to contest the above Findings or produce evidence of a valid surety bond, Respondent's license shall remain suspended unless and until reinstated or until said license expires by operation of law.

1 DATED this 12th day of May, 2010.

2 Lauren W. Kingry
3 Superintendent of Financial Institutions

4 By 
5 Robert D. Charlton
6 Assistant Superintendent of Financial Institutions

7 ORIGINAL of the foregoing filed this 12th
8 day of May, 2010, in the office of:

9 Lauren W. Kingry
10 Superintendent of Financial Institutions
11 Arizona Department of Financial Institutions
12 ATTN: Susan Longo
13 2910 N. 44th Street, Suite 310
14 Phoenix, AZ 85018

15 COPY mailed/delivered same date to:

16 Craig A. Raby
17 Assistant Attorney General
18 Attorney General's Office
19 1275 West Washington
20 Phoenix, AZ 85007

21 Richard Fergus, Licensing Division Manager
22 Robert D. Charlton, Assistant Superintendent
23 Arizona Department of Financial Institutions
24 2910 N. 44th Street, Suite 310
25 Phoenix, AZ 85018

26 AND COPY MAILED SAME DATE, by
Certified Mail, Return Receipt Requested to:

Horga Inc. DBA IB Mortgage Services
Attention: Gheorghe Horga, President
17811 NE Glisan Street
Portland, OR 97230
Respondent

1 Nick Horga, Statutory Agent
2 Horga Inc. DBA IB Mortgage Services
3 6626 W. Sweetwater Ave.
4 Glendale, AZ 85304

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